

News Release

Company: Olympus Corporation
 Representative Executive Officer, President and CEO: Yasuo Takeuchi
 (Code: 7733, First Section, Tokyo Stock Exchange)
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Notice Regarding Disposal of Treasury Shares as Restricted Stock Remuneration

Olympus Corporation (“Olympus”) hereby announces that, pursuant to authorization given by a resolution of the Board of Directors, the Representative Executive Officer, President and CEO of Olympus has made the following decision regarding the disposal of treasury shares (hereinafter the “Disposal of Treasury Shares”) as stock remuneration today.

1. Outline of the Disposal

(1) Date of disposal	August 28, 2020
(2) Class and number of shares to be disposed	26,821 shares of common stock of Olympus
(3) Disposal price	¥1,946.5 per share
(4) Total value of shares to be disposed	¥52,207,076.5
(5) Allottees and number thereof, number of shares to be disposed	Corporate Officers (excluding non-residents in Japan): 16 26,821 shares
(6) Others	A securities notice pursuant to the Financial Instruments and Exchange Act has been submitted for the Disposal of Treasury Shares.

2. Purpose of and Reason for the Disposal

Olympus decided to allocate restricted stock to Olympus’s Corporate Officers (the “Applicable Officers”) to provide them with an incentive for sustainably improving Olympus’s corporate value and to further enhance value-sharing with our shareholders. In addition, based on Olympus’s business performance, the scope of responsibilities of each Applicable Officer, and a variety of other factors, Olympus decided to grant monetary remuneration receivables in the total amount of ¥52,207,076.5 and 26,821 shares of common stock. The Applicable Officers shall pay in monetary remuneration receivables provided by Olympus in full amount in the form of property contributed in kind, and have common stocks of Olympus disposed of. For the disposal of shares of common stock of Olympus, Olympus and each Applicable Officer shall make an agreement on the allotment of restricted stock (the “Allotment Agreement”).

3. Overview of the Allotment Agreement

- (1) Transfer restriction period: From August 28, 2020 to August 28, 2023
- (2) Condition on lifting the restriction

On condition that any of the Applicable Officers has remained in the position of Olympus’s Directors, Executive Officers or Corporate Officer throughout the restriction period, Olympus shall lift the transfer restriction with respect to all of the allotted shares when the restriction period expires.

(3) Treatment in cases where the Applicable Officers retire from their positions due to the expiration of the terms of office or other due cause during the restriction period

1) Time of lifting the restriction

When any of the Applicable Officers retires from the position due to the expiration of the term of office or other due cause (excluding retirement due to death), Olympus shall lift the restriction immediately after retirement of the Applicable Officer. In case of retirement due to death, Olympus shall lift the restriction at the time separately determined by the Representative Executive Officer, President and CEO of Olympus after such death of the Applicable Officer.

2) Number of shares subject to lifting of the restriction

The number of shares obtained by multiplying the number of the allotted shares held as of the time of retirement defined in 1), by the value obtained as a result of dividing the tenure of any of the Applicable Officers (the number of months) during the restriction period by the number of months of the restriction period for the applicable shares shall be lifted (any fractions less than one share unit resulting from the calculation shall be rounded down).

(4) Acquisition without contribution by Olympus

Olympus shall acquire, by its right and without contribution, the allotted shares on which the restriction has not been lifted as of when the restriction period is over or at the time of lifting the restriction provided in (3) above.

(5) Control of shares

The Applicable Officers shall open accounts at Nomura Securities Co., Ltd., for stating or recording the shares by a method specified by Olympus, and shall retain and maintain the shares in the accounts during the restriction period.

(6) Handling at the time of organizational restructuring

If, during the transfer restriction period, matters relating to a merger agreement in which Olympus is the dissolving company, a share exchange agreement or share transfer plan in which Olympus becomes a wholly owned subsidiary, or other organizational restructuring are approved at Olympus's General Meeting of Shareholders (or in the case where the approval at Olympus's General Meeting of Shareholders is not required, in relation to the organizational restructuring in question, the Representative Executive Officer, President and CEO of Olympus), restriction on the allocated shares, the number of which is obtained by multiplying the number of allotted shares held as of then, by the number of months from the beginning of the restriction period to the month including the approval day of the organizational restructuring divided by the number of months of the restriction on the applicable shares (any fractions less than one share unit resulting from the calculation shall be rounded down), shall be lifted based on the decision of the Representative Executive Officer, President and CEO, immediately prior to the organizational restructuring, one business day before it becomes effective.

4. Basis of Calculation and Specific Details of the Payment Amount

The Disposal of Treasury Shares to the Applicable Officers shall be funded by monetary remuneration receivables which Olympus provided as the restricted stock remuneration for the 153rd fiscal year. To eliminate arbitrariness in the disposal price, the closing price for the common stock of Olympus on the First Section of the Tokyo Stock Exchange on July 29, 2020 (the business day prior to the day of decision by the Representative Executive Officer, President and CEO) of ¥1,946.5 is used as the disposal price. As this is the market price of the day prior to the day of decision by the Representative Executive Officer, President and CEO, we believe that the disposal price is reasonable and does not represent a particularly favorable price.